RAILROAD COMMISSION OF TEXAS OFFICE OF GENERAL COUNSEL

OIL AND GAS DOCKET NO. 03-0234565 IN THE ZWEBB (10,350) FIELD, ZAPATA AND WEBB COUNTIES, TEXAS

FINAL ORDER
APPROVING THE APPLICATION OF EOG RESOURCES, INC.
FOR ADOPTION OF SPECIAL FIELD RULES
FOR THE ZWEBB (10,350) FIELD
AND FOR TRANSFER OF WELLS FROM THE
POK-A-DOT (8600) FIELD INTO THE ZWEBB (10,350) FIELD
ZAPATA AND WEBB COUNTIES, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on May 7, 2003, the presiding examiner has made and filed a report and recommendation containing findings of fact and conclusions of law, for which service was not required; that the proposed application is in compliance with all statutory requirements; and that this proceeding was duly submitted to the Railroad Commission of Texas at conference held in its offices in Austin, Texas.

The Commission, after review and due consideration of the examiner's report and recommendation, the findings of fact and conclusions of law contained thereto, hereby adopts as its own the findings of fact and conclusions of law contained therein, and incorporates said findings of fact and conclusions of law as if fully set out and separately stated herein.

Therefore, it is **ORDERED** by the Railroad Commission of Texas that the following rules be and are hereby adopted for the ZWebb (10,350) Field, Zapata and Webb Counties, Texas.

- RULE 1: The entire correlative interval from 10,238 feet to 11,011 feet as shown on the electric-gamma ray log of the EOG Resources, Inc., BMT/K&H "C" Lease Well No. 3, J.V. Borrego Survey, Webb County, Texas, shall be designated as a single reservoir for proration purposes and be designated as the ZWebb (10,350) Field.
- RULE 2: The daily allowable production of gas from individual wells completed in a non-associated gas reservoir of the subject field shall be determined by allocating the allowable production, after deductions have been made for wells which are incapable of producing their gas allowables, among the individual wells in the following manner:

FIVE percent (5%) of the total field allowable shall be allocated equally among the individual wells.

NINETY-FIVE percent (95%) of the total field allowable shall be allocated among the individual wells in the proportion that the deliverability of such well, as evidenced by the most recent G-10 test filed with the Railroad Commission bears to the summation of the deliverability of all proratable wells producing from this field.

It is further **ORDERED** by the Commission that the following existing or permitted wells, operated by EOG Resources, Inc., be and are hereby transferred from the Pok-A-Dot (8600) Field to the Field:

Well name	ID Number	County
Cabezon No. 2	190458	Webb
Cabezon No. 5	188849	Webb
Cabezon No. 4	189382	Webb
Texaco Fee No. 1	174050	Zapata
Slator Ranch 'A' No. 1	173763	Zapata
Slator Ranch 'A' No. 2	176950	Webb
Slator Ranch 'A' No. 3	177401	Webb
Slator Ranch 'A' No. 4	176950	Zapata
Slator Ranch 'A' No. 5	177401	Zapata
Slator Ranch 'B' No. 1	174612	Zapata
Slator Ranch 'B' No. 2	175528	Zapata
Slator Ranch 'B' No. 3	189375	Zapata
Slator Ranch 'C' No. 1	174219	Zapata
Slator Ranch 'C' No. 2	176269	Zapata

Done this tenth day of June, 2003.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by OGC Unprotested Master Order dated June 10, 2003.)